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RF-SC-09-01

1. Respondent Aero Indemnity Insurance Company was licensed as a captive insurance company authorized to transact business as a captive insurer in the District of Columbia.
2. Respondent's captive insurance company license number is PC 067.
3. A Notice to Show Cause was sent to Respondent on June 16, 2009 informing Respondent of the charges against the company.
4. Violation I of the Department's Notice To Show Cause/Notice of Hearing alleged that Respondent in the conduct of its affairs under the captive insurance company license No. PC 067, violated D.C. Official Code § 31-3931.15(a)(1) whereby the company "failed or refused to comply with any provision or requirement of [chapter 39]."

5. The Department of Insurance, Securities and Banking (DISB) sent on June 16, 2009 via certified mail signed by Adam Levi, Assistant Attorney General, a Notice To Show Cause/Notice of Hearing RF-SC-09-01, to Respondent Aero Indemnity Insurance Company c/o Richard C. Goff, Managing Member, 901 Dulaney Valley Road, #610, Towson, MD 21204. Chris Lannon signed the Certified Mail Receipt on 6/18/09. (See, Government's Exhibit #1)
6. The Notice To Show Cause/Notice of Hearing sent to Respondent, directed the company to appear before the Department of Insurance, Securities and Banking, 810 First Street, NE, Suite 701, Washington, D.C., on July 28, 2009 at 10:00 a.m.
7. After notice was duly given, a public hearing was held on July 28, 2009 for the purpose of determining whether the license of Respondent should be revoked.
9. The Respondent failed to appear at the scheduled Show Cause Hearing on July 28, 2009 or have a representative appear on its behalf.
10. The Government's (Petitioner's) counsel, Adam Levi introduced into the record the following exhibits:

**1. Government's Exhibit 1**

The Notice to Show Cause/Notice of Hearing sent to Respondent that includes the Certified Mail Receipt.

**2. Government's Exhibit 2**

Letter dated 2/2/09 from The Taft Companies to Dana Sheppard, DISB, Associate Commissioner, Risk Finance Bureau, requesting DISB to waive the requirement for the Annual Statement, CPA Audited Statement, Actuarial Review and Opinion as of December 31, 2008; premium tax payment; and certificate of authority renewal fees.

**3. Government's Exhibit 3**

Letter dated 2/2/09 from Dana Sheppard, Associate Commissioner, Risk Finance Bureau to Mary-Claire Goff of The Taft Companies granting waiver of the 2008 Annual Statement, CPA audit and actuarial opinion; denying the waiver of the premium taxes; and informing Respondent that the Company would not have to renew its license when it expired, provided the Company dissolved before May 1, 2009.


11. Dana Sheppard, Associate Commissioner, Risk Finance Bureau, the witness for the Government, testified that the tax liability for Respondent for the year ending December, 2008 was \$7,500. He stated that the Respondent requested a waiver of the requirement to file a financial statement and payment of its tax obligation (Government's Exhibit #2); and that he waived the filing of the financial statement, but not the tax obligation (Government's Exhibit #3). He also testified that Respondent (to date) had not paid its tax obligation.

### FINAL CONCLUSIONS OF LAW

The evidence and testimony presented by Petitioner's counsel, Adam Levi reflected that due notice of the hearing and charges against Respondent was sent to its address of record; that an individual by the name of "Chris Lannon" received notification for Respondent by signing the Certified Mail Receipt at Respondent's address; and that Respondent failed to appear at its scheduled hearing. Furthermore, the record also reflected that Respondent failed to remit to DISB its tax liability payment of \$7,500.00 for the year ending 2008, as is required by D.C. Official Code § 31-2931.12(a) and (b), thereby violating D.C. Official Code § 31-3931.15 (a)(1).

### FINAL ORDER

Based upon the record and the foregoing facts, **IT IS HEREBY ORDERED** that a **DEFAULT DECISION IS ENTERED** against the Respondent for failing to appear. **IT IS FURTHER ORDERED THAT** Respondent's license PC 067 is **REVOKED AND RESPONDENT IS REQUIRED TO PAY ITS TAX LIABILITY PAYMENT IN THE AMOUNT OF \$7,500.00 IMMEDIATELY.**

  
Gennet Purcell  
Acting Commissioner  
Department of Insurance, Securities and Banking

10/29/2008  
Date

**CERTIFICATION**

I hereby certify that a copy of the foregoing Final Default Decision and Order of Revocation was sent first-class mail, postage prepaid, to Respondent, Aero Indemnity Insurance Company, c/o Richard C. Goff, Managing Member, 901 Dulaney Valley Road, #610, Towson, MD 21204 on this 30<sup>th</sup> day of October 2009.

 10/30/09  
Michelle Mathis Date  
Paralegal Specialist